App. F. IX—4

(1954)

File No. 190-54.

Serial Nos. 13-16.

Previous References.
Ind. Dep. 384/55-56.

Ind.

Later References.
Ind 190-54-21-22

MYSORE GOVERNMENT SECRETARIAT

Serial Nos. Four only — 1.20

Part B for December 1955.

SUBJECT

Bank loan granted to the Mysore chrome Tanning Co. Ltd. on the guarantee of Govt. — Execution of the letter of guarantee.

No. I. 3277.

WD 0249—GPB—25,000—16-9-55

D. 31.12.55

The Dir. of Ind.

C. V. Rajanna
4/1/56

Grant of loan of Rs 50000/ to the Nys Chrome Dam Co Ltd on the guarantee of Govt

2674/2918/D.

Letter No. EI. SA. Misc 187/52-53 dated 16-9-5 from the Div Dc stating in connection with a loan of Rs 50000/ sanctioned to the Nys Chrome Dam Co. Ltd on the guarantee of Govt that the Co has complied with all the regd formalities and requesting to issue the necessary Govt Guaran letter.

Letter No. EI. SA. Misc (187)/52-53 dated 13-6. from the Div Dc forwarding a draft letter of guarantee for adoption and issue after scrutiny in the Law Dept.

1. Submitted for perusal.

2. The Nys Chrome Dam Co. Ltd have also put up a copy of the G.O. dated 23-4-1953 granting a loan of Rs 50000/ to the Co on the guarantee of Govt and stated by the representative is that the matter is urgent

5368/Ind. 2285.

3. The main file has been submitted ~~to~~ for orders on the question issue of fixing a guaran commission for the loan.

4. A copy of the G.O. put up by the Co is placed below (Flag A)

5. As stated by the Div Dc in the Second PUD, this may be referred to the Law Dept for favour of urgent scrutiny of the draft letter of guarantee enclosed w.r. to the G.O. put up. The guarantor is proposed to be the Dev Secretary in the draft letter of guarantee.

6/10.

Loan of Rs 50000/ granted to the Mys Cocoanut Dan Co. Ltd on the guarantee of Govt - Issuing Letter of Guarantee

2918 to 2976/9.

~~2918~~
9

6. The Advocate General has suggested - vide another file - a draft form of guarantee and a thereto this has been approved by Govt. The draft now sent by the Director may have to be examined with reference to the form suggested by the Adv: Gl. As this may take some time & the Company is in need of funds urgently, they have represented in a letter read. today that the Bank may be advised to advance the loan pending the issue of a formal letter of guarantee by Govt. This letter may be sent up for orders urgently.

D.O. letter No. E1.SA. Misc(184)/52-53. dated 8.10.1955 from the Addl Div Dr in the matter.

7. The reference of the Addl Div Dr referred to above is submitted for orders.

8. A copy of the G.O. sanctioning the grant of loan to the Co on the guarantee of Govt placed below is flagged A.

10/10/55

Loan of Rs 50000/ granted to the Mys Chrome Dam Co. Ltd on the guarantee of Govt. Issue of letter of guarantee.

2976/I

9. In the circumstances explained in para 6 of their notes, the proposal at 'A' in the Addl. Director's letter may be approved, in consultation with F.D.

Dev. Secy)

10) for Fin Commissioner

Fi. Secy)

11/10/55

11. It would not be safe to permit any money being drawn before the prescribed formalities are completed. Now that the mortgage deed has been executed, it only remains to approve of the draft guarantee letter. This may be expedited if the transaction is to be put through quickly, instead of the concern being allowed to operate on the bank account prematurely as proposed.

Dev. Secy

13/10

Loan of Rs 50000/ granted to the Tk
Chrome Tan Co. Ltd - Letter of
Guarantee. 2976 ∫ 3106/59.

Letter No. E1. SA. Misc. 187/52-53
dated 17-10-55 from the Addl
Dir Dte forwarding a draft letter
of Guarantee approved by the Adv
Genl for necessary action.

12) This office letter No. D 3093
dated 6-10-55 with regard to
the draft letter of Guarantee regarded in the PWD
approved by the Adv Genl relates
generally to all guarantee cases and this has
been dealt with in the State Aid to
Inds Act Section. Since the grant of
the loan to M/s Chrome Tan Co. Ltd comes
under this Act and further action to be
taken w.r. to para (11) and (6) is with
regard to that Act, this may kindly
be regarded to Sri. C.V.R who is the
concerned case worker. ~~to proceed further~~

T. Rion
Sri CVR please examine this with ref: to the Act.
(55/59

BVR
18/10.

13) Kind reference is invited to this
office letter of 6-10-55 addressed to the
Dir of Dte (in the file placed below) Forms
forwarding fresh Mortgage ~~Deed~~ Rete,
in respect of loans advanced by the
Banks to Indl concerns on govt
guarantee under the Mysore State Aid
to Inds Act, 1951 and directing that
they may be adopted in future.

(Flag D in the file placed below)

14) The relevant mortgage deed were
already executed and duly registered
by the company on 18-8-55 as reported
by the Addl Dir of Dte in his letter
dated 8-10-55.

"Flag E"

Loan of Rs.50,000/= sanctioned to Mysore Chrome Tan Co, Ltd. - Letter of guarantee.

Mysore Government Secretariat | File No. of 195 . 3106/Dud. [App. F. III 2

Serial No.

15) It is stated that the draft letter of guarantee since sent by the Addl Dy Sec (flagged P) is in accordance with the draft letter of guarantee as approved by the Advocate general and forwarded with this office letter dated 6-10-55 (flagged D in the file placed below)

16) Therefore the draft letter of guarantee in the Form as approved by the Advocate general, to be issued by govt in favour of the Bank of Mysore Ltd, Bangalore may perhaps be approved. It has to be executed by the Dev. Secy to govt on behalf of govt. for orders.

19/10/55 35 19/X

17) The rate of interest shown in the draft letter of guarantee may be corrected as shown in pencil, in accordance with para 3 of the preamble of the G.O. dated 23.4.55 sanctioning the guarantee loan. F.D. also may be consulted -

Dev. Secy

18) A.S. Secy

20/10/55

19) Dev. Secy

21/10

"Flag A"

SECRETARY DEVELOPMENT DEPARTMENT 21 OCT 1955 Government of Mysore

DEVELOPMENT DEPARTMENT 20 OCT 1955 Government of Mysore

FINANCIAL SECRETARY GOVT OF MYSORE 21 OCT 1955

NOTE.—Contn. sheet U. O. No. 8666

Loan of Rs. 50,000/= Sanctioned to the Mys chrome Tanning Co Ltd.
— Letter of guarantee.

File No. of 195 3106/Ind

Mysore Government Secretariat

Serial No.

2) Subd with a draft letter to the Dir of Agl for approval

22/10/55

Dy Secy

Joint Secy

To Issued Letter No. S 3277 dt. 31.x.1955

The Dir of Agl.

Forward the letter of Guarantee executed on behalf of Govt and requested that it may be sent to the Bank of Mysore.

B
22 15/12/55.

(35 15) 17

Ind 190-54-13.

2674/I

GOVERNMENT OF MYSORE

DEPARTMENT OF INDUSTRIES AND COMMERCE

No.E1.SA.Misc.187/52-53, Office of the Director, Bangalore, Dated: 16th September, 1955.

SECRETARY DEVELOPMENT DEPARTMENT 17 SEP 1955

THE SECRETARY TO GOVERNMENT,
Development Department,
B A N G A L O R E .

SIR,

SUBJECT::THE MYSORE STATE AID TO INDUSTRIES ACT, 1951.
Loan of Rs.50,000 sanctioned to be paid by the Bank of Mysore on Government Guarantee to Messrs. The Mysore Chrome Tanning Company Ltd., Bangalore.

With reference to your letter No.I.1683 dated the 7th July 1955 on the above subject returning the draft mortgage-deed duly scrutinised by the Law Department, I write to state that Messrs. The Mysore Chrome Tanning Co.,Ltd.,Bangalore,have executed the mortgage-deed at the office of the Sub-Registrar, Bangalore, and Registered as No.2892/55-56 ~~date~~ in Vol.No.1486 PP.96 to 109 dated 18-8-1955 and also have registered the same in the office of the Registrar of Companies in Mysore,Bangalore, vide No. C.261/55-56 as per Indian Companies Act, 1913, on 7th September 1955.

As required under Rule 35 of the Rules framed under the Mysore State Aid to Industries Act, 1951, the Company have insured the Mortgaged properties for a sum of Rs.50,000/- Vide Policy No.1330420 dated 13-8-1955 and the first premium of Rs.195-5-0 covering the risk ~~x~~ for the period from 15-8-1955 to 15-8-1956 has also been paid to Messrs. New India Assurance Company Ltd., Bangalore, and the policy has been duly assigned in favour of the Director of Industries and Commerce in Mysore, Bangalore, (as required ~~x~~ under Rule 37 of the Rules framed under the Act).

The Mysore Chrome Tanning Co.,Ltd.,Bangalore,,have thus complied with all the prescribed formalities, and in accordance with Government Order - - No.331-35/Ind.190-54-8 dated 23rd April 1955 a loan of Rs.50,000/-(Rupees Fifty Thousand only) is to be advanced under the provisions of the Mysore State Aid to Industries Act,1951 to the above Company by the Bank of Mysore Ltd., Bangalore, on the guarantee of the Government of Mysore in consideration of the deed of mortgage executed by the Concern on 11-8-1955 and Registered on 18-8-1955. The rate of guarantee commission payable to Government in this behalf is a matter which is to be decided by Governement as per proposals already sent to Government in this office letter No.E1.SA.4994/55-56 dated 24-8-1955.

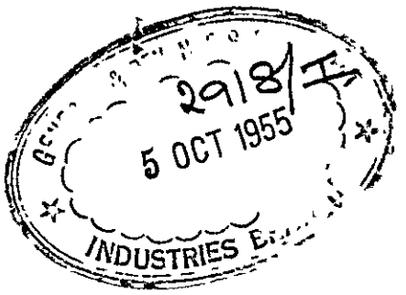
I,therefore, request you kindly to issue the necessary Government guarantee letter to the Bank of Mysore Ltd., under intimation to this office.

I request for an early compliance in the matter.

Yours faithfully,

(S. MUNINANJAPPA),
DIRECTOR.

mVs. 2.)



GOVERNMENT OF MYSORE.
DEPARTMENT OF INDUSTRIES AND COMMERCE.

Office of the Director,
Bangalore,
Dated 1st October 1955.

No.E1.S.A.Misc.(187)/52-53.
End: one.

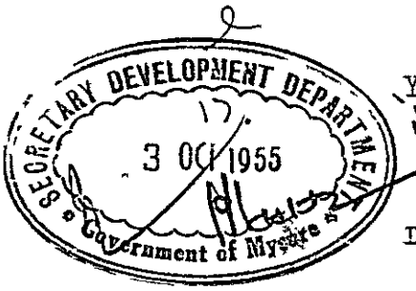
To

THE SECRETARY TO GOVERNMENT,
Development Department,
Bangalore.

Sir,

SUBJECT: The Mysore State Aid to Industries Act, 1951 - Loan of Rs.50,000/- sanctioned to be paid by the Bank of Mysore, Ltd., Bangalore, on the guarantee of Government to Messrs. Mysore Chrome Tanning Co.,Ltd., Bangalore.

In continuation of this office letter of even No. dated 16th September 1955 on the above subject, I am forwarding herewith a draft letter of guarantee for adoption and issue by the Government of Mysore in favour of the Bank of Mysore,Ltd., in the above case after scrutiny in the Law Department.



Yours faithfully,

(T.SHAMANNA),
DIRECTOR-IN-CHARGE.

This Deed of Guarantee executed this the ..... by the Rajapramukh, His Highness the Maharaja of Mysore, acting in the exercixe of the executive power of the State of Mysore represented by the Secretary to Government, Development Department (hereinafter called the Guarantor, which terms shall whenever the context so requires or admits mean and include his successors in Office, representatives and assigns) of the One part in favour of The Bank of Mysore, Ltd., a Joint Stock Company incorporated under the Mysore Copanies Act and having its registered office (X) ..... (hereinafter called the Bank which term shall whenever the context so requires or admits mean and include its successors in business, representatives and assigns) is as follows:-

(X) and the principal place of business in Avenue Road, Bangalore City, represented by its Manager for the time being, Sri B.V. Narayana Reddy, B.A. (Hons),

WHEREAS M/s The Mysore Chrome Tanning Co., Ltd., Mysore Road, B'lore 2, ... (Hereinafter called the principal debtors) applied to the Guarantor for financial assistance by way of loan for the working capital of the company ..... and the Guarantor has in their G.O. No. I. 331-35/Ind. 190-54-8 d) 23-4-1955 ..... to the said principal debtors under the provision of the Mysore State Aid to Industries Act (Act XX of 1951) on the security of their properties detailed in the Schedule to the Deed of Simple Mortgage dated ~~11-8-55~~ 11-8-55 executed by the said Principal debtors in favour of the Guarantor and registered in the office of the Sub-Registrar, Bangalore City ..... No. 2892/55-56 in Book Vol 1486 Pages 96-109 d) 18-8-55.

WHEREAS the Guarantor has requested the Bank to pay the aforesaid loan amount of Rs. 50,000/- (Rupees Fifty Thousand only) to the principal debtors for and on their behalf and agreed to stand Guarantee for the repayment of the said sum of Rs. 50,000/- (Rupees Fifty Thousand only) to ether with interest at 6½ per cent per annum thereon ~~Payable~~ ~~quarterly~~ Payable quarterly and with all costs and charges incidental thereto within a period of ..... one year/s as stipulated in the Government Order and the Deed of Mortgage referred to above.

Now therefore this Deed of Guarantee witnesses that in pursuance of the above agreement and in consideration of the aforesaid sum of Rs 50,000/- (Rupees Fifty Thousand only) being advanced by way of loan to the principal debtors, the Guarantor hereby agrees and covenants as follows:-

(1) That the Guarantor will be jointly and severally liable with the principal debtors in respect of the amounts due and owing by the Principal debtors as per the On Demand Pronote dated..... executed by the said debtors in favour of the Bank and will repay the said amount to the Bank if the said debtors fail to repay the same on demand.

(2) That if the principal debtors fail to pay any one or more instalments on the due date or dates the Guarantor shall immediately thereafter be liable to pay the said instalment or instalments to the Bank.

(3) If the Guarantor pays the amounts due to the Bank and becomes free from all liability under this guarantee, the Bank will at the request of the guarantor transfer, assign in their favour all their right, title and interest in the aforesaid On Demand Pronote and the Guarantor shall be entitled to recover from the Principal debtors and amounts payable under the said On Demand Pronote without prejudice to the rights and remedies of the Guarantor under the Deed of Mortggge referred to above.

(4) That this Guarantee should be and have effect as a continuing Guarantee and shall not be revocable by the Guarantor except with the consent of the Bank and until all the amounts due to the Bank as aforesaid are finally and completely discharged.

(5) While the giving of any time to the Principal debtors without the consent of the Guarantor or any delay or failure in taking any steps to recover any amount due

towards the principal or interest shall not discharge the Guarantor from the responsibility under this Deed, t
it is understood that the Guarantor represented by the undersi_ned will be kept informed of the grant of any such time or the steps which are taken for the recovery of the same.

(6) That the Guarantee hereinbefore contained shall not be affected by any change in the constitution of the Bank or of the said principal debtors.

(7) That in respect of the amount of Rs. (Rupees Fifty Thousand only) 50,000/- advanced to the principal debtors the Bank shall furnish to the Guarantor the State of account of the principal debtors only on making a written request therefor and not otherwise.

(8) That any account settled between the Bank and the Principal debtors shall be conclusive evidence against the Guarantor and shall not be questioned by the Guarantor except on the _round of mistake or fraud.

IN WITNESS WHEREOF the Guarantor represented by the Secretary to the Government of Mysore, Development Department, has hereunto set his hands and seal the day, month and year first above written in the presence of witnesses who have attested below.

SECRETARY TO THE GOVT. OF MYSORE
DEVELOPMENT DEPARTMENT

WITNESSES:

"Specimen copy."

Director of Industries and Commerce
in Mysore, Bangalore.

Telegrams :—"INDUSCOM"

GOVERNMENT OF MYSORE

Phone No. Office : 2311

SRI T. SHAMANNA, I.A.S.
Additional Director of
Industries and Commerce.

Dnd. 190-54-14

2976 I

BANGALORE-1, *Dated*.....8th October...195 5

D.O.No.E1.S.A.Misc.(187)/52-53.
Encl:One.

Dear Sri. Swaminathan,

Subject: The Mysore State Aid to Industries Act, 1951
Loan of Rs.50,000/- sanctioned to be paid by the Bank of Mysore, Ltd., Bangalore, on the guarantee of Government to Messrs. The Mysore Chrome Tanning Co., Ltd., Bangalore.

I invite your kind reference to this office letter of even No. dated 22-7-1954 recommending the sanction of a Bank guarantee loan of Rs.50,000/- to Messrs. The Mysore Chrome Tanning Co.,Ltd., under the Mysore State Aid to Industries Act, 1951. This case has been recommended for the sanction of this further loan of Rs.50,000/- for the Working Capital of the Concern by the Board of Industries in Resolution No.4 (3) of the meeting proceedings held on 12-6-54 as already reported to Government. The relevant mortgage deed has been executed and duly registered by the Company on 18-8-1955. A suitable draft guarantee letter has also been forwarded by this Department with this office letter of even No. dated 1-10-1955 for adoption with a suitable modifications by Government after scrutiny by the Law Department.

The above Concern is urgently in need of funds in view of the fact that an Express Telegram has been received from Kanpur (copy enclosed) intimating the despatch of a wagon-load of raw materials. The Concern will not be in a position to take delivery of these goods unless funds are immediately placed at their disposal to clear the goods.

Under the circumstances, I request that Government be pleased to address the Bank of Mysore,Ltd., Bangalore, to permit the Mysore Chrome Tanning Co., to operate on the Bank account to the extent of the guarantee loan now sanctioned Viz., Rs.50,000/- pending the finalisation of the formalities pertaining to the guarantee arrangement.

As the procedural formalities may take some more time during which the Concern would be denied the advantage of utilising the raw materials and during which the demmurage may also accrue on the raw materials, I request you kindly to use your good offices and obtain early orders of Government approving the arrangements as proposed above by me.

Yours sincerely,

Sri. M. S. Swaminathan, I.A.S.,
Secretary to Government,
Development Department,
Bangalore.

bvs.

Copy of telegram received from Kanpur.

BOOKED WAGON TOMG CONTAINING 2425 PIECES REPLY FOR FURTHER PURCHASES

KHULD

" C o p y "

M. Sachidananda Moorthy 8/10/48

(M. Sachidananda Moorthy)
For Director.

Ind 190-54-15

3106
I

GOVERNMENT OF MYSORE

DEPARTMENT OF INDUSTRIES AND COMMERCE.

No.E1.SA.Misc. 187/52-53.
Encl. one.

OFFICE OF THE DIRECTOR,
Bangalore, dated 17th Oct. 1955.

THE SECRETARY TO GOVERNMENT,
Development Department,
BANGALORE.

Sir,

SUBJECT: THE MYSORE STATE AID TO INDUSTRIES ACT 1951.
Loan of Rs 50,000/- sanctioned to be paid by the Bank of Mysore Ltd., Bangalore, on the guarantee of Government to Messrs Mysore Chaome Tanning Co.Ltd., Bangalore.

In continuation of this office letter of even number dated 1st October 1955 on the above subject, I am forwarding herewith a draft letter of guarantee as approved by the Advocate General forwarded with your letter No.I.3093 Ind.32-53-7 dated 6-10-1955 to be issued by Government in favour of the Bank of Mysore Ltd., Bangalore and request that necessary action may kindly be taken in this behalf as the Company is in urgent need of funds as intimated in this office Demi Official letter of even number dated 8th October 1955.

334
623

Yours faithfully,

ADDITIONAL DIRECTOR.

PROFORMA DEED OF GOVERNMENT GUARANTEE

TO THE BANK OF Mysore Ltd. Bangalore

WHEREAS in accordance with G.O. No. I 331-35|Ind 190-5 dated 23rd April 1955 ... Government of Mysore have decided to secure financial assistance to THE MYSORE CHROME TANNING CO.,LTD. Bangalore (hereinafter called the 'Borrower') to the extent of Rs 50,000/- (Rs Fifty thousand only) by giving, guarantee to the Bank.

AND WHEREAS the Bank of Mysore Ltd., Bangalore (hereinafter called the 'Bank') have agreed to advance monies to the said Borrower up to the limit of Rs 50,000/- (Rs Fifty thousand only) exclusive of interest, charging interest at the rate of (not exeeeding) ..6½.. per cent (more than the Reserve Bank rate prevailing in each quarter of the calendar year), on the condition that the Government of Mysore guarantee due repayment of the said amount by the Borrower to the Bank.

The Rajpramukh of Mysore represented by the Director of Industries & Commerce in Mysore, Secretary to the Government of Mysore in Development Department, hereby guarantees due repayment by the Borrower to the Bank of the principal amount up to Rs Fifty thousand only and instalment thereof together with all interest thereon and Bank charge and costs which may be due by the said Borrower to the Bank as a result of the aforesaid advance in accordance with the terms of the loan, after crediting all payments made by the Borrower specifically towards the aforesaid advance. The guarantor shall pay to the Bank the amount due as aforesaid to the Bank from the Borrower in the event of default by the Borrower to pay as aforesaid.

Giving of any time to the Borrower without the consent of the guarantor or any delay or failure in taking any steps to recover any instalments of principal or interest by the Bank shall not discharge the guarantor from the responsibility of this bond.

Witnesses:

1.

2.

Secretary to Government,
Development Department.

PROCEEDINGS OF THE GOVERNMENT OF MYSORE.

Read

Correspondence ending with letter No.4516, dated 8-5-1954, from the Secretary, Mysore Chrome Tanning Company Limited, Bangalore, forwarding a copy of the resolution dated 5-5-1954 of the Board of Directors of the Mysore Chrome Tanning Company Limited, requesting sanction of Government for a further loan of Rs. 50,000/- to the Company towards its working capital.

2. Letter No.El-S.A. Misc. (187)/52-53, dated 22-7-1954, from the Director of Industries and Commerce in Mysore, Bangalore, forwarding the resolution of the Board of Industries for the grant of a loan of Rs. 50,000/- on Government guarantee from a Bank and recommending that the loan now recommended to be granted may be treated as a second charge on the existing assets subject to the condition that the Company insures the mortgaged properties in accordance with the provisions of the State Aid to Industries Act and the rules framed thereunder duly assigned in favour of the Director of Industries and Commerce.

3. Correspondence ending with letter No. Loans 11777, dated 1-3-1955, from the Manager, The Bank of Mysore Limited, Bangalore, stating that they are agreeable to grant the loan of Rs. 50,000/- to the Company at 6½ per cent interest for 12 months against the Government guarantee and also against hypothecation over the stock in trade of the Company, theirs being the first charge.

ORDER No.I. 331-35/Ind 190-54-8.

DATED, BANGALORE, THE 23rd APRIL 1955.

The Bank of Mysore is requested to grant a loan of Rs.50,000/- (Rupees Fifty thousand only) to the Mysore Chrome Tanning Company Limited on the guarantee of Government subject to the conditions mentioned by the Director of Industries and Commerce in his letter dated 22-7-1954 and the Bank of Mysore Limited, in their letter dated 1-3-1955 referred to above.

2. Separate Orders will issue regarding the guarantee commission payable to Government by the Company.

3. The Director of Industries and Commerce is requested to take necessary further action in the matter.

sd/ -(B.Lakshmana Rao)
for Secretary to Government,
Development Department.

- True Copy -

For The Mysore Chrome Tanning Co, Ltd.

Secretary.

P.T.O.

To -- The Chairman and Managing Director, The Mysore Chrome Tanning Company Limited, Bangalore;

The Director of Industries and Commerce in Mysore Bangalore;

The Accountant-General, Mysore, Bangalore, throug the Finance Department;

The Secretary, Board of Management of Industrial concerns, Bangalore.

Copy to Financial Secretariat (Budget).

[3277] 2nd 190-54-16.

E:1 Dt 31/10/55

To

The Diry &c.

Sir.

Bank loan

Sub: Mys. S.A to Inds Act, 1951 ~~loan~~ ~~to~~ Mysore
₹ Rs. 50,000/= granted to M/S, Chrome
Tanning Co, Ltd, Bangalore in the guarantee
y govt. – Execution y the letter y
guarantee.

With reference to correspondence ending with your letter No. 31-S.A-Misc 187/52-53 dt 17-10-55 on the above subject, I am directed to ~~be~~ to forward herewith the ~~draft~~ letter y guarantee ~~to be~~ duly executed ~~by the~~ on behalf of Govt, and to request ~~Secy to govt Rev Dept for favour y~~ ~~send it~~ may be sent to me Before ~~necessary action.~~ ~~y~~ ~~by~~ –

Yours faithfully –

For Secy to govt.
4/55.

E 3277 // 2nd 190-54-16.

E:1 Dt 31/10/55

To

The Dirg Sec.

Sir.

Sub: Myso. S.A to Inds Act, 1951 — Bank loan to Mysore Chrome Tanning Co, Ltd, Bangalore in the guarantee y govt. — Execution y the letter y guarantee.

with reference to correspondence ending with your letter No. 31-S.A-Misc 187/52-53 dt 17-10-55 on the above subject, I am directed to send to forward herewith the letter y Guarantee duly executed by the Overdraft Court, and to request Secy to govt, Dev Dept for favour y send it may be sent to me Back necessary action. y govt —

Yours faithfully

for Dev Secy to Govt.
19/55.

GOVERNMENT OF MYSORE

No. I 3277/E.1
Grn 190-54-16

Mysore Government Secretariat,

Dated, Bangalore, 31st October 1955

FROM

The *Secretary to the Government of Mysore,*
Development Department.

To

The Director of Industries & Commerce
in Mysore, B a n g a l o r e.

Sir,

Subject:- Mysore State Aid to Industries Act, 1951 -
Bank loan of Rs.50,000/- granted to
M/s. The Mysore Chrome Tanning Co., Ltd.,
Bangalore, on the guarantee of Government -
Execution of the letter of guarantee.

With reference to correspondence ending with your letter No.E1-S.A.Misc.187/52-53 dated 17th October 1955, on the above subject, I am directed to forward herewith the Letter of Guarantee executed on behalf of Government and to request that it may be sent to the Bank of Mysore.

Yours faithfully,

o/c

for Secretary to Government,
Development Department.

~~PROFORMA~~ DEED OF GOVERNMENT GUARANTEE
TO THE BANK OF MYSORE LTD., BANGALORE.

WHEREAS in accordance with G.O.No.I.331-35/Ind.190-54-8 dated 23rd April 1955, Government of Mysore have decided to secure financial assistance to THE MYSORE CHROME TANNING CO., LTD., Bangalore, (hereinafter called the 'Borrower') to the extent of Rs.50,000/- (Rs.Fifty thousand only) by giving, guarantee to the Bank.

AND WHEREAS the Bank of Mysore Ltd., Bangalore (hereinafter called the 'Bank') have agreed to advance monies to the said Borrower up to the limit of Rs.50,000=- (Rupees Fifty thousand only) exclusive of interest, charging interest at the rate of 6½ per cent for 12 months on the condition that the Government of Mysore guarantee due repayment of the said amount by the Borrower to the Bank.

The Rajpramukh of Mysore represented by the Secretary to the Government of Mysore in the Development Department, hereby guarantees due repayment by the Borrower to the Bank of the principal amount up to Rs.Fifty thousand only and instalment thereof together with all interest thereon and Bank charges and costs which may be due by the said Borrower to the Bank as a result of the aforesaid advance in accordance with the terms of the loan, after crediting all payments made by the Borrower specifically towards the aforesaid advance. The guarantor shall pay to the Bank the amount due as aforesaid to the Bank from the Borrower in the event of default by the Borrower to pay as aforesaid.

Giving of any time to the Borrower without the consent of the guarantor or any delay or failure in taking any steps to recover any instalments of principal or interest by the Bank shall not discharge the guarantor from the responsibility of this bond.

WITNESSES:-

1.

2.

Bangalore
Dated 31st October 1955.

Mysore 31/10/55

(M.S.Swaminathan)
Secretary to Government,
Development Department.